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MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Progress Report: March 1969 Chilean Congressional Election

On 12 July 1968, the 303 Committee approved Ambassador Korry's proposal to influence the composition of the next Chilean Congress to be elected in March 1969. The first progress report on activities related to this proposal was submitted to the Committee on 3 September 1968. Attached is the second periodic progress report based on information prepared by the Embassy election team.

William V. Broe
Chief
Western Hemisphere Division

CONCUR:

Deputy Director for Plans

Date

Executive Director-Comptroller

Date

Release of the attached memorandum to the members of the 303 Committee is authorized:

Director of Central Intelligence

Date

Declassified and
Approved for Release
July 2000

MEMORANDUM FOR: The 303 Committee

SUBJECT : Progress Report: March 1969 Chilean
Congressional Election

1. PURPOSE OF THE MEMORANDUM

During the meeting of the 303 Committee on 3 September 1968, the first progress report on activities related to the March 1969 Chilean congressional election was submitted. This second progress report, based on data provided for this purpose by the members of the Embassy election team, is to bring the members of the Committee up to date on the current nature and scope of the election program which was originally approved by the Committee on 12 July 1968.

2. POLITICAL DEVELOPMENTS

a. On 2 November, the political parties in Chile registered their final lists of candidates. Some 750 candidates were named to run for the 180 congressional seats.

b. The Soviet invasion of Czechoslovakia, which was condemned by the Christian Democratic Party (PDC), the

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Socialist Party (PS), and the National Party (PN), put the Communist Party of Chile (PCCh) on the defensive, but only for a relatively brief period. So while a portion of the undecided vote may not go to the PCCh as a result of its energetic defense of the Soviet position, the traditionally good organization and professionalism of its campaign efforts should bring the party a slight increase in the March election.

c. Although the Socialist Party (PS) concluded a number of beneficial arrangements with the PCCh for certain individual contests, it did not receive all the help it desired in its struggle against the Popular Socialist Union (USP). It is expected that the PS, weakened by last year's split and beset by internal contradictions, could fall below its 1967 electoral mark and slip in congressional representation.

d. The Popular Socialist Union is fighting for survival as a political party and has the inherent weakness of a splinter group seeking to capture votes from the parent (Socialist) party. Most of the "socialist" votes remain with the PS and unless the USP is able to arouse greater voter interest, it will suffer losses that would result in only token representation in Congress. The fact that the USP, however, is running candidates in opposition to the PS in

almost every district, serves to weaken the PS.

e. The Radical Party (PR), which issued an equivocal and weak statement on the invasion of Czechoslovakia, has shown signs of internal stress. Two senatorial candidates resigned in protest against the PR's failure to condemn the Soviet action and dissident Radical Party women occupied party headquarters in early September for the same reason. While this issue constitutes a certain divisive and negative factor for the party, it is unlikely to have lasting impact. Although the PR expects to improve its strength in the March election, its campaign efforts so far have been characterized by poor direction and lack of professionalism, and the prospects for a significantly greater share of the popular vote do not seem good at this writing.

f. The PDC has a relatively full campaign chest which appears to be under the control of President Frei and his associates. The PDC is optimistic about its prospects and has sought to maintain an appearance of unity. Yet the election team notes that the PDC has lost ground within the middle and upper classes, that it is weak in the labor field, and that dissension within that party has resulted from debates on the "non-capitalist" road to economic development

and on a possible alliance with the Communists. The PDC will have to defend its program of agrarian reform; it will have to face the issue of law and order, the increasing cost of government, and rising inflation. The worst drought in more than 100 years, subsequently complicated by severe frosts, continues to have an adverse effect on employment and on the stabilization and other related programs.

g. The National Party, which is attempting to moderate its conservative image to attract voters opposed to the leftist tactics of the PDC and the PR, is suffering from a lack of campaign funds and is not yet receiving the expected support from business groups. This party, which was formed in 1965 from the old Liberal and Conservative Parties, is attempting to field a list of congressional candidates whose social background and progressive outlook will appeal to the growing Chilean middle class.

3. FACTORS AFFECTING THE ELECTION PROGRAM

While the basic concept of the election program is still valid, there have been several developments over the past few months that have affected both the practical implementation of this program and the prospects of political alignments for the 1970 presidential election.

a. One development, which was reported to the 303 Committee in the first progress report, concerns the election team's assessment of the Radical Party. There was the increasing conviction at that time that the party would seek an alliance with the Communists in 1970 and that therefore PR candidates, with the exception of a very few individuals, could not be considered on equal terms with those of other parties for election support. Recent PR actions have served only to reinforce that conviction.

b. A second development has been the continued leftward drift of the PDC away from the moderate philosophy and programs of President Frei. As reported earlier, the most likely presidential standard bearer of the PDC, Radomiro Tomic, has been actively promoting a coalition of leftist forces (including Socialists and Communists) for 1970. In August, the PDC elected a new directorate composed primarily of forces who are more attracted to Tomic's philosophy than to the more moderate ideas of President Frei. In October, the party formally adopted both Tomic's political strategy of an opening to the left and an economic program compatible with this strategy. More recently, PDC President Fuentealba stated [REDACTED] that the PDC was seeking to renew its affiliation

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with the Communist-dominated Chilean trade union central and he also voiced the view that there was a possibility for cooperation with the Communists in the 1970 election, although no formal alliance was in sight at this time.

c. Finally, the fact that the anti-Marxist and anti-PDC candidacy of former President Jorge Alessandri continues to flourish has had its effect on the country's political situation and outlook. An Alessandri candidacy would mean that a strong, popular candidate would appeal to Chile's voters regardless of party affiliation. On the negative side, however, his candidacy would split the democratic, anti-Marxist vote should there be a three-way presidential race in 1970 as now seems possible. Such a contest might involve an independent rightist (Alessandri), a PDC candidate (Tomic), and a Communist supported individual (whether he be a Radical such as Alberto Baltra, former president of the Soviet-Chilean Cultural Institute, or a member of the Popular Action Front-FRAP--a coalition of Socialists and Communists). A desirable outcome of such an electoral contest would be in doubt.

4. PROGRESS IN IMPLEMENTING THE ELECTION PLAN

a. It was against the background of the above political developments, and in full recognition that the

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election program is a limited one which cannot in any significant way be expected to affect the prospects for 1970, that the Embassy/CIA election team approved ten candidates for support. An additional five individuals are currently under active consideration. Of the possible total of [REDACTED] individuals, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] It is expected that about [REDACTED] will be spent in support of these candidates.

b. Of primary importance to the election program is the maintenance of the split within the FRAP. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] If the USP is able to survive the March election, it is expected to continue its divisive activities within the Marxist ranks. Even if it does not do well, USP candidates will draw votes away from the PS.

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c. In accordance with one of the major goals of the election program, a [REDACTED] has been established [REDACTED] at an estimated cost of [REDACTED]. Its purpose is to promote a political climate favorable to moderate candidates (irrespective of party affiliation). In addition to propaganda attacking the Marxists and their attempts to subvert or divide other parties [REDACTED]

[REDACTED]

5. RECOMMENDATION

It is recommended that the 303 Committee take note of this progress report.

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